

From: "Dennis Sakofsky" <denniss@colonialsavings.com> on 03/31/2008 07:35:03 PM

Subject: Regulation Z

I am a wholesale mortgage account executive in California, as well as a licensed mortgage broker in Colorado.

For many years I have closed transactions where there broker pays for the hard costs of closing the loan with yield spread premium from the lender. These costs can often be over \$4,000 in California without including any compensation to the mortgage broker. The costs are for title, escrow, appraisal, credit, processing, notary, etc... In a wide variety of scenarios the consumer benefits from not paying cash, or increasing their loan balance for these costs.

The proposed regulation will effectively eliminate a broker's ability to provide this type of financing the consumers. It will limit the options for consumers seeking this type of transaction to banks. Limiting competition will hurt the consumer, not help them.

I encourage full disclosure, but done fairly. I don't believe that your proposed changes accomplish that. Because banks sell their loans, there is an effective YSP to them as well. If brokers have to disclose YSP, banks should have to as well.

Thank you,



Dennis Sakofsky

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